



March 15, 2019

Federal Communications Commission
445 12th Street SW
Washington, DC 20554

RE: DA-18-1226 (WC Docket/RM: 17-310): Wireline Competition Bureau Seeks
Additional Comment on Determining Urban and Rural Rates in the Rural Health Care
Program

Dear Commissioners:

We appreciate this opportunity to submit comments in your proceeding to consider how to calculate support for services that are made possible through the Rural Health Care (RHC) program. Financial stability and rate predictability of the RHC program is critical to the future of a field with tremendous opportunity to use technology to dramatically transform health care access and improve health care outcomes for rural residents.

The Alaska State Hospital and Nursing Home Association (ASHNHA) represents Alaska's hospitals, skilled nursing facilities, and other health care organizations. Our membership spans geographically from PeaceHealth Ketchikan Medical Center to Samuel Simmonds Memorial Hospital in Utqiagvik. Our diverse association unites every small rural hospital and large hospital system in the state around common goals.

Alaska is America's largest state, comprising roughly one-sixth the nation's total land area, yet has only about two tenths of one percent of America's population. 99.95% of the state is rural – a greater percentage than any other state in the nation. Several hundred of our communities are not reachable by road and are not connected to middle mile infrastructure. The distance to the nearest medical facility is often several hundred miles that can only be travelled by air.

Because of our unique geography and rural nature, telehealth is a critical component of the health care system in Alaska. Growing evidence indicates that access to telehealth services also lowers health care costs in rural communities, saving money at the local, state and national levels. As one example, the Alaska Native Tribal Health Consortium estimates that access to telehealth services saves rural Alaskans \$10 million annually in

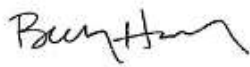
travel costs alone. At the national level, the Veterans Health Administration (VHA) estimated that the annual cost in 2012 to deploy its telehealth program was \$1,600 per patient per year, compared to over \$13,000 for traditional home-based care and \$77,000 for nursing home care. Telehealth was also associated with a 25 percent reduction in the number of bed days of care, and a 19 percent reduction in hospital admissions, across all VHA patients utilizing telehealth services.

Given the pace of technological change, the RHC funding program itself cannot be rigid or mired in yesterday's view of the market or services. Having rates that are competitively bid is the most accurate and administrable way to assess the cost of service provision in an area. This allows for rates that are based on the service demands of the day and the planned investments for tomorrow, to ensure that there is stability in health care, education, employment options and opportunities in rural areas.

The Rural Health Care program at the FCC is a great start, but it too needs to keep current with health care needs in rural areas, while allowing rural health care providers to plan for future needs. The program has a significant role in supporting rural health care delivery, rather than standing in the way of growth and innovation for rural Americans.

We thank you for this opportunity to submit our comments on this important issue to many rural Americans. If you would like additional information, please contact Elizabeth King, Director for Behavioral Health and Workforce at elizabeth@ashnha.com or (907) 270-6447.

Sincerely,

A handwritten signature in black ink, appearing to read "Becky Hultberg".

Becky Hultberg
President / CEO